



Medicaid EHR Incentive Program & Meaningful Use Update

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CMS and KY's Shared HIT Journey

- CMS awarded KY \$4.9 million in 2007 to bring HIE into KY Medicaid
- Populated KHIE with 2.5 years of Medicaid claims data
- Focus on provision of a CCD and a virtual EHR
- Initial use was in hospital emergency departments
 - Limitations of claims data
- Grant was to also look at clinical outcomes and financial ROI



Grant Findings

- Same ol' constraints to clinician use:
 - Lack of clinician knowledge of KHIE
 - The limitations of claims data to clinical decision-making
 - Challenges with provider training & workflow
 - The CCD interface requires scrolling and has limited sort options
 - Limited access by nursing staff
- As of 3/11, over 30 provider agreements were signed and 60 in process
- Provided seed funding and important lessons for KHIE's strong current status



KY as a National HIT Leader

- 1st State in the US to issue an EHR Incentive Payment to a hospital
 - One of the 4 States to make the 1st payments
- Developed its Medicaid EHR Incentive Program system in house, with interfaces to the MMIS
- Models collaboration and the spirit of MITA: Gave away its code to other States
- Just honored with the 1st Annual Public Health and Medicaid HIT Collaboration Award



HITECH: How the Pieces Fit Together

Regional Extension Centers

Medicaid EHR Program 1st Year Incentive

Workforce Training

Medicare and Medicaid EHR
Incentive Programs

State Grants for
Health Information Exchange

Medicaid Administrative Funding for HIE

Standards & Certification Framework

Privacy & Security Framework

ADOPTION

MEANINGFUL USE

EXCHANGE

Improved Individual &
Population Health
Outcomes

Increased
Transparency &
Efficiency

Improved
Ability to Study &
Improve Care Delivery

Health IT Practice Research



At a Glance

- 27 States have launched as of September 5
- Most (not all) remaining States to launch by end of 2011
- 17 States are making payments
- Over \$384 million awarded to States for planning and administration



So how's it going for Medicaid?

Active Registrations as of September 1, 2011:

- 37 Medicaid Only Hospitals
- 1,933 Medicare and Medicaid Hospitals
- 17,181 Medicaid Eligible Professionals
- Medicaid agencies have paid \$389 million to providers



Medicaid Payments

As of September 1, 2011:

- 294 dually-eligible hospitals have been paid more than \$262 million
- 15 Medicaid-only hospitals have been paid nearly \$33 million
- 4,463 eligible professionals have successfully attested and have been paid almost \$94 million



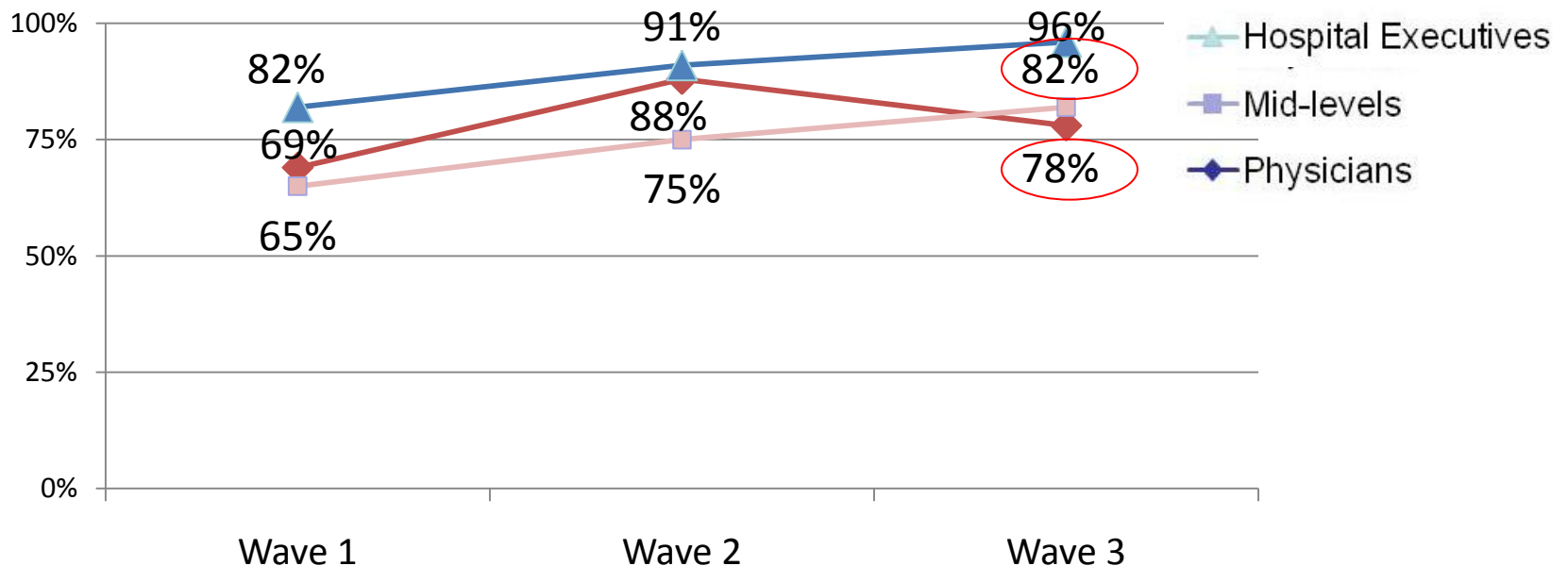
Medicaid's Hospital Incentive Payments

- Average Year 1 EH Medicaid incentive amount = \$955,000
- Can be disbursed over 3-6 years, per the State. Most States have opted for 3 years (50,40, 10)
- Many hospitals are doing Medicaid first if they can, then coming back for the Medicare MU payment.



Overall awareness about the program has trended steadily upward at an impressive pace.

- Among mid-levels, awareness increased significantly, from 75% to 82% (+7). This occurred among those in a high stage of EHR readiness.
- Among physicians, awareness declined significantly, from 88% to 78% (-10).



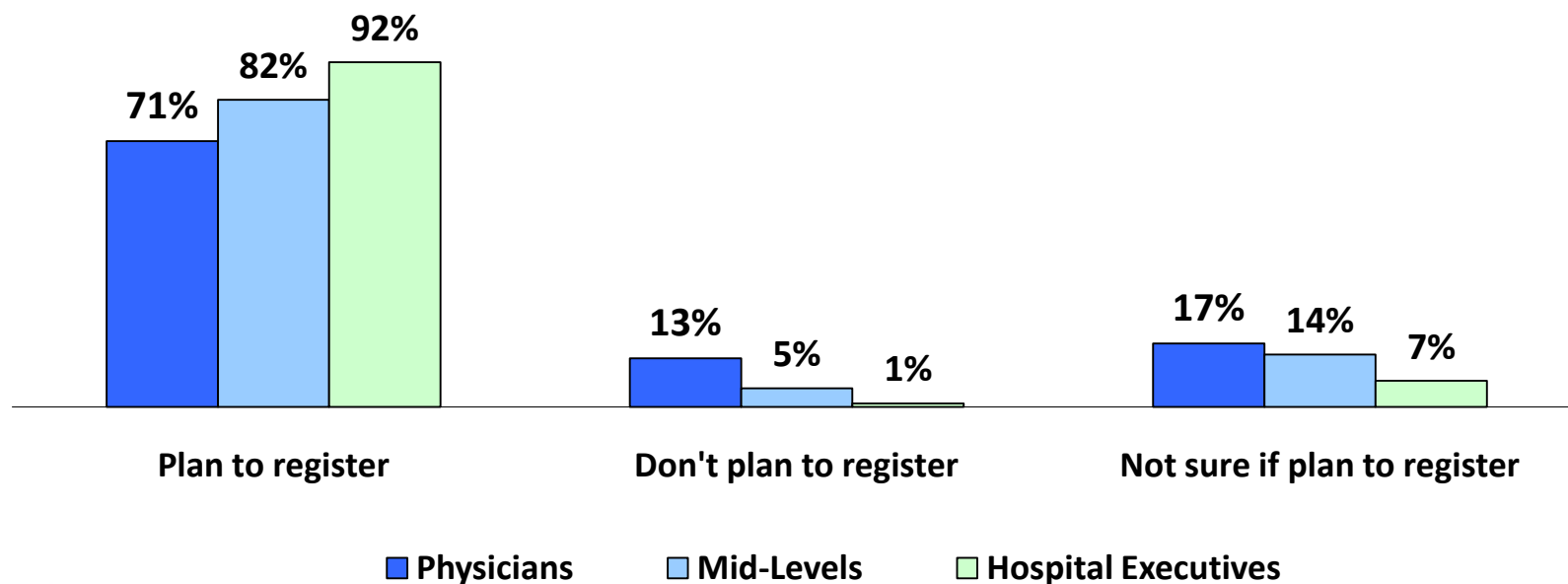
Wave 1/Wave 2/Wave 3 Base: Physician (329/310/301), Mid-Level (300/313/309), Hosp. Executive (167/156/153). Q17: UNAIDED. Have you heard, seen, or read anything recently about the new Medicare and Medicaid Electronic Health Record Incentive Program? Q18: AIDED. READ DESCRIPTION OF PROGRAM. Do you recall, seeing hearing, or reading about this EHR Incentive Program before today?

Red circles represent significant differences at the 95% confidence level.



Persuasion to participate in the program appears to be highly successful—most intend to register.

- Of those who haven't already registered, about 7 in 10 hospital executives and 3 in 10 physicians and mid-levels plan to register this year, with bulk remaining next year.
- Only 13% of physicians, 5% of mid-levels, and 1% of hospital executives do not plan to register for the incentive. But even some of this group say they are still considering it.



Wave 3 Base: Among those who have not already registered Physician (189), Mid-Level (182), Hosp. Executive (112). Q65: Does [your practice] [your hospital] intend to register for the incentive for meaningful use of an EHR?



Challenges at 1 Year

- Data sources for auditing and eligibility determinations (OIG Report)
 - patient volume
 - hospital cost reports
- States' changing leadership
- Short runway to initiate program
- States' economic challenges (especially with Medicaid)
- Juggling MMIS, HITECH, ICD-10, etc



My Up at Night Worries

- Health Information Exchange infrastructure is key to achieving the clinical and cost ROI of EHR adoption. What if some parts of the US had highways and others didn't? What would commerce and car sales look like nationally?
- EHRs are just a tool. Incentives are just incentives. The Human Factor.
- Patients. What's their role? Where is patient demand?



Some of the Sweet Spots

- State sharing /peer-to-peer technical assistance
- Multi-State collaborations/procurement
- Upper classmen helping lower classmen
- State-Federal communication
- 27 States having launched to date despite major budgetary issues in State Medicaid Programs
- HIE coming to the forefront for State Medicaid agencies- not just paying for care



Stage 2

- HITPC input
- Other Federal Agencies (CDC, HRSA, etc)
- Your NPRM public comments
- Focus on raising the MU bar but keeping the floor achievable for all EPs/ EHs
- Alignment with other quality measurement and reporting programs
- Discussing the Medicare penalty



On the Horizon

- More States' requests for HIE funding
- Integration with other efforts (Eligibility and Enrollment, Pay for Performance, the Insurance Exchanges, MMIS redesigns, alignment of quality measurement and reporting programs, etc.
- Capture and auditing of meaningful use
- Outreach to AIU cohort to move to MU



Regulatory Next Steps

- Stage 2 NPRM (ETA: January 2012)
 - Public Comment Period
- Stage 2 Final Rule (ETA: late Spring 2012)



Resources

- Web: www.cms.hhs.gov/EHRIncentiveprograms
 - Videos
 - FAQs
 - Email list-serv
 - EP Users' Guides for Registration and Attestation
 - EH Users' Guide for Registration and Attestation
 - Helpful Links
 - Monthly data on provider registration, attestation and payment
- Twitter: @CMSgov
- States' EHR Incentive Program websites



Questions?